



UNJHA FORMULATIONS LIMITED

**FIFTH
ANNUAL REPORT
1998-99**

UNJHA FORMULATIONS LIMITED**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UNJHA FORMULATIONS LIMITED WILL BE HELD AS SCHEDULED BELOW :

Day & Date : Friday, 24th September, 1999
 Time : 4.30 P.M.
 Place : Registered Office :
 Khali Char Rasta, State Highway,
 Khali, Sidhpur 384151 (N.G.)

TO TRANSACT THE FOLLOWING BUSINESS :**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date, together with the Reports of Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri Hirabhai A. Patel, who retires by rotation and being eligible, offer himself for re-appointment.
- 3) To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass, with or without modification, following resolution as Special Resolution:
 *RESOLVED THAT pursuant to section 31 and all other applicable provisions, if any of the Companies Act, 1956, the Articles of Association of the company be altered as follow.
 - a) Insert the following definitions after Article Clause (XV) of Article 2.
 - 2(XV)(a): 'Depositories Act' means the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force.
 - 2(XV)(b): 'Depository' shall mean a Depository as defined in Section 2 of the Depositories Act, 1996.
 - 2(XV)(c): 'Beneficial Owner' shall mean the beneficial owner as defined in Section 2 of Depositories Act, 1996.
 - 2(XV)(d): 'Securities' means such securities as may be specified by the Securities and Exchange Board of India (SEBI) from time to time.
 - b) In Clause (viii) of Article 2 of the Articles of Association, the existing definition of 'Members' shall be substituted by following
 2(Viii): 'Members' means the duly registered holder from time to time of the shares of the company and includes the beneficial owner in the records of Depository.
 - c) Insert the following Article as Article 8 A with marginal note after Article 8.

8A: BUY-BACK OF SHARES & SECURITIES

Notwithstanding anything contained in these Articles and subject to the provisions of the Act or any other applicable law in force at the relevant time, the Board of Directors shall have power and is authorised to purchase any of the shares including equity shares or securities of the company and may make payment out of its capital, free reserves and/or the surplus in the profit & loss accounts, securities premium account or from such other sources including borrowing as may be permitted for such purchases.

For the purpose of this Article, securities shall include securities converted into equity shares or having such underlying voting rights as may be notified by the Central Government from time to time.

- d) Insert the following heading and Article as Article 62A after Article 62.

62A: DEMATERILISATION OF SECURITIES

- i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act.
- ii) Every person subscribing to securities offered by the company shall have the option to receive security

certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

If a person opts to hold his securities with a depository, the company shall intimate such depository the details of allotment of the security and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security.

- iii) All securities held by depository shall be dematerialised and shall be in fungible form. Nothing contained in sections 153, 153A, 153B, 187B, 187C and 372A of act shall apply to Depository in respect of securities held by it on behalf of the beneficial owners.
- iv) Except as ordered by a court of competent jurisdiction or as required by law, the company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the beneficial owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share (except only as is by these Articles otherwise expressly provided) or any right in respect of a share other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof. No notice of any trust, express, implied or constructive shall be entered on the Register of Members or of Debentureholders.
- v) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
 (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
 (c) Notwithstanding anything contained in this Article, certificate, if required for the dematerialised share, debenture and any other security shall be issued in the name of Depository and all the provisions contained in these Articles in respect of the rights of a member/debentureholder/ of the company shall mutatis mutandis apply to the depository as if it were a member / debenture holder / security holder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialised share, debenture and any other security, the person who is beneficial owner of such shares, debentures and other securities shall be entitled to all the rights (other than set out in these Articles) available to the registered holders of the shares, debenture and other securities, in the Company as set out in the other provision of these Articles.
 (d) Every person holding securities of the company and whose name is entered owner in the records of the Depository shall be deemed to be a member of the company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect his securities which are held by Depository.
 (e) The provisions relating to the waiver of the company's lien, if any on partly paid shares on registration for transfer of such shares contained in these Articles shall also mutatis mutandis apply in respect of a dematerialised share, debenture and any other security, the beneficial owner of which is registered with the Depository and where such beneficial owner shall have transferred his dematerialised shares, debentures and other securities.
- vi) Notwithstanding anything contained to the contrary in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- vii) Nothing contained in Section 108 of the Act or these Articles shall apply to transfer of securities effected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository. In the case of such transfer of securities where the company has not issued any certificate or certificates have been dematerialised subsequently and where such securities are being held in an electronic and fungible form the provision of the Depositories Act, shall apply.
- viii) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the company shall intimate the details thereof to the Depository immediately on allotment of such securities.

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- ix) Nothing contained in the Act of these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
- x) The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."

Place : Sidhpur

Date : 28.05.1999

By order of the Board,

Sd/-

Shambhubhai A. Patel
CHAIRMAN

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. The Register of Members and the Share Transfer Books of the company shall remain closed from Friday, the 17th September, 1999 to Friday, the 24th September, 1999 (both days inclusive).
3. The members are requested to notify to the Company, immediately, of any change in their address.
4. Members desirous of obtaining any information concerning the accounts of the Company may write to the Company atleast 10 days in advance before the date of the Annual General Meeting so that the information required may be made available at the Meeting.
5. Members are requested to pay full & final pending call money immediately without further delay, otherwise the company will take legal action as per terms of Clause No. 37 to 45 of the Articles of Association of the company for forfeiture of shares.

Place : Sidhpur

Date : 28.05.1999

By order of the Board,

Sd/-

Shambhubhai A. Patel
CHAIRMAN

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

As required by Section 173(2) of the Companies Act, 1956 the following explanatory statement set out material facts relating to special business under item No. 4 of the accompanying notice dated 28.05.1999.

ITEM NO. 4

The Depositories Act 1996, has amended some of the provisions of the Companies Act, 1956 and the Securities Contract (Regulation) Act, 1956 (hereof collectively referred to as 'The Act') pertaining to issue holding, transfer and dealing in shares and other securities as also issue of relevant certificates so as to facilitate the introduction and implementation of the Depository system. In order to bring the Articles of Association of the company in line with the Act, relevant Articles as contained in the notice are being amended and added.

Article 8 of the Articles of Association of the company prohibits the company from purchasing its own shares. Hence a new Article i.e. Article 8A, is proposed to be inserted as set out in resolution to enable the company to purchase its own shares and/or securities as permissible under law.

The Board of Directors recommend the shareholders to adopt the proposed resolution as a Special Resolution. None of the Directors of the company is concerned or interested in the said resolution.

Place : Sidhpur.

Date : 28.05.1999

By order of the Board,

Sd/-

Shambhubhai A. Patel
CHAIRMAN

UNJHA FORMULATIONS LIMITED**DIRECTOR'S REPORT**

to the Members,

Your Directors have pleasure in presenting this Fifth Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March 1999.

FINANCIAL RESULTS :

The highlights of the financial results are as under :

	(Rupees in lacs)	
	1998-99	1997-98
Turnover	352.1	315.24
Other Income	3.34	1.44
Total Income	355.51	316.68
Profit before Depreciation and Taxation	19.45	22.87
Less : Depreciation	16.08	22.52
Profit before tax	3.37	0.35
Less : Provision for Taxation	NIL	NIL
Profit for the year	3.37	0.35
Balance as per last Balance Sheet	(-) 35.91	(-) 36.26
Total Profit	(-) 32.54	(-) 35.91

BUSINESS OPERATIONS & PROSPECTS :

During the year under review your company has achieved a sales turnover of Rs. 352.17 lacs (In respect of its existing activities) with an increase of 12 %, over previous years sales Rs. 315.24 lacs.. However sales turnover of Human & Veterinary Medicines of Rs. 290.92 lacs with an increase of 12 % over previous year's sales Rs. 259.14 lacs.

Your Directors are confident of having high growth of your company in the coming years.

DIVIDEND

The company has reported a carryforward loss of Rs. 32.54 lacs for the year. Hence, considering this, your directors are unable to pay any dividend for the year ended 31st March, 1999 on the paid up Equity Share Capital.

MARKETING

Your Company has made manufacturing agreement with Nicholas Piramal India Limited, Mumbai for sale of Isabgol Husk based product "FYBOGEL". Your company has also continued manufacturing agreement with Karnataka Antibiotics & Pharmaceuticals Limited, Bangalore for sale of Isabgol Husk based products and other Veterinary products on Loan Licence basis.

EXPORT

The company continued its focus on development of Export Markets, for Ferrous Sulphate, Albendazole Bolus and Iron Folic Tablets to supplement the present low domestic demand situation and achieved an export turnover of Rs. 0.67 crore during the year. Your company has also received a confirm export order worth Rs. 40 lacs.

INDUSTRIAL RELATIONS:

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels.